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**FIRST MARITIME MINING
CORPORATION LIMITED**
(NO PERSONAL LIABILITY)

**INTERIM REPORT
TO SHAREHOLDERS**

Six months ended June 30, 1974

FIRST MARITIME MINING CORPORATION LIMITED

(No Personal Liability)

P. O. Box 937, Saint John, N. B.

INTERIM REPORT TO SHAREHOLDERS

Six Months Ended June 30, 1974

CONSOLIDATED STATEMENT OF EARNINGS (Subject to audit)	1974	1973
Interest income	\$ —	\$ 5,884
Expenses:		
Operating costs	13,229	19,930
Mine maintenance	21,818	15,791
Interest	127,912	112,655
Wharf payment	29,750	—
	192,709	148,376
Net loss for the period	\$ 192,709	\$ 142,492

CONSOLIDATED STATEMENT OF SOURCE AND USE OF FUNDS (subject to audit)

Source:

Sale of 167,000 shares of Brunswick Mining and Smelting Corp. Ltd.	\$ 801,600	\$ —
Sale of supplies	1,214	10,756
Recovery of pension payment	—	14,398
	802,814	25,154

Use of funds:

For operations	192,709	142,492
Repayment of convertible debentures	500,000	—
Exploration program	5,082	—
	697,791	142,492
Increase (decrease) in working capital	105,023	(117,338)
Working capital (deficiency) at beginning of year (excluding \$2,500,000 convertible debentures due December 31, 1973)	(44,607)	245,676
Working capital at end of period (excluding the company's outstanding convertible debentures)	\$ 60,416	\$ 128,338

As previously reported to shareholders, the company sold 167,000 shares of Brunswick Mining and Smelting Corporation Limited for \$801,600 in June, 1974 and used the proceeds mainly to repay \$500,000 of its outstanding convertible debentures, reducing the principal amount of the debentures outstanding from \$2,500,000 to \$2,000,000. The interest rate on these debentures was revised to 11½% and the maturity date to December 31, 1975. This transaction reduced the company's holding in Brunswick Mining and Smelting Corporation Limited to 1,766,353 shares.

At the annual shareholders' meeting of the company held on June 27, 1974, all directors and officers were re-elected and/or re-appointed.

Saint John, N. B.
August 7, 1974

L. McC. Ritchie,
President